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SUBJECT: KIRSEHIR: A CITY CAUGHT IN THE MIDDLE

REF: ANKARA 1460

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¶1. (SBU) SUMMARY: Kirsehir, two hours southeast of Ankara, is an Anatolian city of 88,000 plagued by a lack of business investment. Blessed with geothermal resources and included in the government investment incentive scheme for low-income provinces, Kirsehir hopes to generate a tourism market and attract business. With local families emphasizing education, the city sends an impressive forty percent of its youth on to higher education, but many youth leave the city to find work. While we heard many complaints of a lack of economic opportunity, the province's leadership is optimistic that Kirsehir will overcome. END SUMMARY.

¶2. (U) Kirsehir, literally "gray city," two hours southeast of Ankara, lies on one of the two roads to the Cappadocia region, which attracts many tourists. The relatively peaceful and crime-free city of 88,000 sits atop an underground village and is home to thirteenth-century landmarks and hot springs.

Hooked on Onyx

¶3. (SBU) According to Kirsehir Governor Lutfullah Bilgin, the biggest problem the city and province face is the lack of industry. As a result, most of the Kirsehir population earns a living from agriculture, raising wheat and sugar beets, or from onyx mining and craftsmanship. Kirsehir lies between Ankara and Kayseri, two large and prosperous cities that draw away much of the investment in the region. Bahamettin Ozturk, president of the Small Businessmen and Artisans' Association, told us that due to the lack of economic opportunity in Kirsehir, at least one person per family migrates to Europe, specifically to Germany, France and Holland. In the past, these migrants would return to Kirsehir every summer, adding significantly to the local economy. In recent years, however, the number of people making this yearly pilgrimage has drastically dropped, adding to Kirsehir's economic woes.

¶4. (SBU) There may be potential, however, for economic growth. The newly opened Ahi University, with a student population of 8,000 and growing, pumps much-needed cash into the local economy. Despite being a gateway city to the Cappadocia region, no one stops. In fact, due to neglect and

lack of business, even Mayor Halim Cakir deemed Kirsehir's lone hotel "not fit to stay in." He went on to explain plans to exploit Kirsehir's geothermal resources to generate tourism revenue.

15. (SBU) The principal foreign interest in Kirsehir to date has been from Japan. The Japanese have undertaken a 30-year project of archeological excavation, and plans are underway to construct a Japanese-Anatolian Archeological Institute. In 1993, the Japanese-Middle East Culture Association created the Mikasanomiya Memorial Garden, touted to be the largest botanical garden outside Japan. Ozturk emphasized that local business welcomes American investment in Kirsehir.

Not Able to Move On

16. (SBU) In meetings with Governor Bilgin, Mayor Cakir and local businessman Ozturk, we repeatedly heard of the unfortunate turn of events in 1954 which led to Kirsehir's being temporarily stripped of its status as a provincial capital and permanently losing the tourist cities of Aksaray, Avanos and Hacibektas. Evidently President Celal Bayar made a surprise visit to Kirsehir and was insulted by the lack of people awaiting his motorcade. All the municipality could put together in the few hours of advance notice were schoolchildren. When Bayar returned to Ankara, his first order of business was to "demote" Kirsehir's status to that of a subprovince. Although Kirsehir regained its full provincial status in 1957, fifty years later the province's leadership still shakes its head in disbelief and rues the loss of its tourism-generating territory.

17. (SBU) In addition to losing territory, the province went from being represented by seven members of parliament to the current three. Ozturk grinned when he claimed that True Path

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Party (DYP) Prime Minister Adnan Menderes was hanged in 1961 because of the Bayar motorcade incident in 1954. "To this day, you will not find any DYPers in Kirsehir," he added. The ruling Justice and Development Party (AKP) currently runs the municipality, and also fills two of the three parliamentary seats, the other filled by the opposition People's Republican Party (CHP). Ozturk blames the AKP government for Kirsehir's economic woes, but admits that there is no alternative at this time.

No Job? Go to School

18. (SBU) Due to a lack of employment opportunity in Kirsehir, strong emphasis is placed on higher education. According to Ozturk, 40 percent of the province's youth attend some sort of post-secondary facility. Unfortunately for Kirsehir, these students do not bring their acquired skills and ambition back to the province -- they resettle in other parts of Turkey or Europe. He also noted that competition among parents about which university their child attends is rampant.

19. (SBU) We visited Cumhuriyet Elementary School and met with a sixth grade English class. In contrast to the anti-Americanism prevalent in universities throughout Turkey, we found the students and staff of Cumhuriyet to be extremely welcoming and receptive to our visit. In fact, when we arrived at the school, nearly every window in the four-story school was filled with cheering students giving us "thumbs up" signs. We understand that we were the first Americans to ever visit the school and Principal Ergun Bektas told us the students were very excited and happy to have us there.

Eyes on the Sky

¶10. (U) On March 29th, when we visited Kirsehir, the city experienced a total solar eclipse. Kirsehir is home to a 13th century observatory, now mosque, which was the center of the community's eclipse celebration. We estimated about 2,000 citizens gathered, along with the mayor and governor, to watch the eclipse. During the thirty minute period, it seemed the crowd was as excited to see the provincial leadership as they were the eclipse itself.

Comment

¶11. (SBU) In 2005, in a bid to encourage investment in poorer provinces, the GOT extended an investment incentive scheme to include the 49 lowest-income provinces, including Kirsehir. As a result, the city is eagerly awaiting the perceived economic windfalls from the scheme's subsidies of employer contributions to social security taxes and personal income taxes. Local residents attributed the opening of an aviation tire factory to the investment scheme. Kirsehir could also benefit from the Ministry of Culture and Tourism's recent push for geothermal tourism (ref A). Forward-thinking Governor Bilgin has already started the geothermal ball rolling by ordering laboratory analysis of the province's hot springs. Long-awaited economic growth gives hope for more jobs and less of a brain drain.

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